CCAA MARKET SURVEILLANCE REPORT

Gasa, Punakha and Wangdue Phodrang Dzongkhags

25 August – 15 September 2026

1. BACKGROUND

Markets function effectively when consumers can make informed choices and businesses compete fairly. To safeguard consumer rights, promote fair competition, and ensure transparent business practices, the Competition and Consumer Affairs Authority (CCAA) conducted a 22-day market surveillance exercise in Gasa, Punakha, and Wangdue Phodrang Dzongkhags from 25 August to 15 September 2026. The exercise aimed for comprehensive coverage of business establishments across the three Dzongkhags, assessing their compliance with applicable consumer protection requirements, identifying areas of non-compliance, raising awareness among businesses of their obligations, and promoting fair and transparent business practices.

2. COVERAGE

A total of 391 business establishments were inspected during the surveillance period, spanning grocery and general retail shops, meat shops, handicraft shops, hardware shops, fruit and vegetable (F&V) and cereal vendors, garment shops, electronics sales and service outlets, restaurants, cosmetics shops, beauty parlours and salons, tailoring services, and bakeries. The distribution of inspected establishments across the three Dzongkhags is presented in Table 1.

Table 1: Distribution of Inspected Establishments — Gasa, Punakha and Wangdue Phodrang

Sector	Gasa	Punakha	Wangdue Phodrang	Total
F&V and Cereal Vendors	0	8	26	36
Grocery / General Shops	7	81	45	133
Restaurants	13	43	58	114
Meat Shops	1	13	13	27
Electronic Sales & Service/Repair Centres	0	8	10	17
Hardware Shops	0	4	2	6
Handicraft Shops	0	12	4	16
Bakeries	0	1	3	4
Garment Shops	0	15	7	21
Cosmetics Shops	0	2	0	2
Home Appliance / Utensils / Crockery	0	1	0	1

Sector	Gasa	Punakha	Wangdue Phodrang	Total
Beauty Parlours / Salons	0	4	0	4
Tailoring Services	0	1	0	1
Fuel Retail Outlets (FRO)	1	3	5	9
Total	**22**	**196**	**173**	**391**

3. FINDINGS

3.1 Fuel Retail Outlets (FRO)

Nine Fuel Retail Outlets (FROs) across the three Dzongkhags were inspected. Of the 23 dispensing pumps in operation, 20 were functional and 3 were defunct. The 20 working pumps had a total of 69 dispensing nozzles, of which 52 held valid BSB calibration, 6 were defunct, and 11 had failed calibration and were not in use. An on-the-spot dispensing accuracy test confirmed that all 52 validly calibrated nozzles were accurate.

No discrepancies were observed in price display or compliance with other safety requirements, providing assurance that consumers received the fuel quantity paid for and that the FROs were generally meeting applicable requirements. Expired calibration certificates were identified as requiring immediate renewal and follow-up.

The density of MS and HSD at all inspected FROs fell within the permissible tolerance of ± 3 kg/m^3, and water levels in storage tanks were within the permissible 8 cm tolerance at all outlets except BOD, Langley Tsawa, where the level could not be checked owing to a lack of water paste. LPG weighing accuracy was verified using calibrated weighing machines at all outlets except BOD, Langley Tsawa, whose machine was not functioning at the time of inspection; elsewhere, recorded LPG weights of 29–31 kg fell within the prescribed SOP range. One expired LPG cylinder was found at BOD, Langley Tsawa, and the outlet was directed to dispose of it immediately and inform the CCAA.

3.2 Issuance of Purchase Receipts

Overall, 78% of businesses inspected issued purchase receipts on request, indicating a satisfactory level of compliance with transaction transparency requirements. Receipt issuance was less consistent in Gasa, Lobesa, Kamichu, Changchay, Gangtey, Chuzomsa, and Serigang, where some businesses did not issue receipts — most commonly small and newly established businesses and vendor stalls, with limited literacy among some shopkeepers affecting their ability to prepare written receipts.

A notable improvement was observed in compliance with CCAA directives: whereas small F&V and cereal vendors previously did not routinely provide cash memos or purchase receipts, almost all vendors have now begun issuing pre-printed cash memos that include their contact numbers, enabling consumers to raise issues if needed.

3.3 Product Labelling

Compliance with product labelling requirements was partial across the inspected sectors. Some handicraft items displayed basic information such as product name and price, but certain locally produced items lacked comprehensive labelling, mainly owing to limited awareness among small-scale producers.

Labelling requirements were not applicable to F&V and cereal vendors, whose products are generally sold loose and unpackaged, nor to restaurants, garment shops, beauty parlours, and tailoring shops. A review of selected products in grocery shops found that minimum labelling requirements were generally met, though awareness and compliance among small-scale producers of items such as pickles, chips, and other locally made food products should be further strengthened.

It is recommended that awareness and training programmes be conducted for these food processors, in collaboration with the Bhutan Food and Drug Authority (BFDA), to improve compliance with minimum labelling requirements.

3.4 Weighing and Measuring Devices

A total of 152 weighing machines used by 135 business entities — including FROs, grocery shops, meat shops, fruit and vegetable shops, hardware shops, and two garment shops dealing in yarn — were inspected. The machines were generally functional and in regular use; however, their calibration certificates had validity periods ranging from September 2025 to August 2026, meaning most had already expired by the time of inspection. Affected businesses were directed to contact the BSB for calibration and verification, and the list was shared with the BSB team leader concurrently conducting field activities in Paro, Gasa, Punakha, and Wangdue Phodrang to facilitate timely follow-up.

3.5 Price Display, Consistency, and Fair Treatment of Consumers

Overall, 82% of businesses inspected clearly displayed selling prices, and random verification of sales bills against displayed prices found general correspondence between the two, with no significant concerns regarding discriminatory treatment of consumers.

Some concerns were nonetheless identified regarding GST application and pricing consistency. A GST-registered shop was found charging 5% GST on goods not subject to GST and was referred to the Regional Revenue and Customs Office (RRCO); a meat shop at another location was found charging 5% GST despite not being registered for GST, and was likewise referred to the RRCO. Inconsistent practices were also observed among some GST-registered meat shops, where GST was generally not charged to customers who did not request a receipt but was charged to those who did — resulting in different prices for the same goods depending on whether a receipt was requested. Some meat shops also issued receipts to hoteliers at prices different from those charged to general consumers. These practices raise concerns about consistent GST application, price transparency, and the accurate recording of actual transaction values.

In the handicraft sector, price variation was observed between local and foreign customers, particularly in touristic areas such as the Chimi Lhakhang and Gangtey areas, where displayed prices in some cases appeared to include a 20% guide commission. While such differences may reflect market practices, customer demand, or commission arrangements between businesses and guides, any commission or additional charge built into the selling price should be clearly disclosed to consumers.

Businesses were directed to display selling prices clearly, apply GST consistently, and ensure that the actual transaction price is accurately reflected on purchase receipts regardless of customer type or whether a receipt is requested — safeguarding consumers and preserving confidence in the marketplace.

3.6 Consumer Complaint-Handling Mechanisms

Complaint-handling mechanisms were assessed against three indicators: display of complaint contact details, maintenance of a complaint register, and staff awareness of complaint-handling procedures. All businesses inspected displayed complaint contact details on their signboards, and staff generally demonstrated basic awareness of complaint-handling procedures. However, none of the businesses maintained a complaint register to systematically record complaints received, actions taken, and outcomes.

3.7 Temperature-Controlled Storage

All meat shops inspected had temperature-controlled storage facilities for meat products, helping to ensure that meat is stored under appropriate conditions and supporting the maintenance of product quality and safety.

3.8 Refund, Return, and Exchange Policies

The display of refund, return, and exchange policies was identified as an area requiring improvement: only 50% of establishments had any policy information available, and among these, few printed the relevant terms on purchase receipts, with most communicating policies verbally at the point of sale. In practice, many handicraft, hardware, and garment shops accepted product exchanges, while refund or return requests were generally considered case by case, particularly under genuine circumstances; some hardware shops accepted returns, exchanges, or refunds only partially. Several shop owners raised concerns about refund practices in light of complications associated with the GST framework, while refunds, returns, and exchanges for electronic products were generally handled in accordance with applicable warranty terms.

3.9 Online and Digital Marketing

The inspection examined the use of online and digital platforms for marketing and found that only 3% of businesses used such platforms — TikTok most commonly, followed by Facebook and Instagram — with the majority continuing to rely on traditional marketing and walk-in customers.

Several shopkeepers expressed concern about home-based sellers advertising and selling goods through online platforms, particularly TikTok, without valid business licences, noting that such sellers often offer goods at comparatively lower prices, potentially affecting the sales and competitiveness of licensed businesses. Shopkeepers also sought clarification on the measures relevant authorities could take against online businesses operating without valid licences.

4. ACTIONS TAKEN

The following corrective and advisory actions were taken during the surveillance period:

1. All Fuel Retail Outlets were directed to have their dispensing pumps checked and calibrated by the BSB and to inform the CCAA upon completion; the FROs were also informed that a BSB team would conduct field calibration activities in the inspected areas from 1 to 15 September.
2. BOD, Langley Tsawa was directed to repair and calibrate its weighing machine and inform the CCAA upon completion, and to procure and maintain water paste to facilitate regular checking of water levels in its fuel storage tanks.
3. DPDPL, Lobesa; DPCL, Lobesa; DPDPL, Khuruthang; BOD, Langley Tsawa; and DPDPL, near Wangdue Bridge, were directed to display the consumer safety board within 14 days of inspection.
4. BOD, Bajo was directed to have its 5 L brass measure calibrated by the BSB within 14 days of inspection.
5. Business entities using weighing machines with expired or expiring calibration certificates were directed to contact the BSB for calibration and verification; the list of affected businesses was shared with the BSB team leader conducting field activities in Paro, Gasa, Punakha, and Wangdue Phodrang to facilitate timely follow-up.
6. Business entities selling and servicing electronic products without the required licence were advised to obtain one in consultation with the Regional Office of Industry, Commerce and Employment (ROICE), Thimphu; the list of such businesses was shared with ROICE for necessary follow-up.
7. Businesses without printed purchase receipts were directed to arrange for printing within 7 days of inspection and those businesses that had not displayed selling prices were directed to do so immediately.
8. Businesses required to display GST certificates were directed to display them prominently in a location clearly visible to consumers.
9. A grocery shop and a meat shop were referred to the RRCO for necessary action, having been found charging 5% GST on goods not subject to GST and charging GST despite not being registered for GST with the RRCO, respectively.

5. RECOMMENDATIONS

Based on the findings of this surveillance, the following recommendations are put forward:

1. Continue follow-up inspections to verify implementation of the corrective actions directed during the surveillance, particularly in relation to calibration, price display, GST compliance, receipt issuance, consumer safety requirements, and other identified areas of non-compliance.

2. Ensure that weighing and measuring instruments, including fuel-dispensing equipment, are calibrated and verified within the required validity period, with valid calibration certificates maintained at all times.
3. In coordination with the relevant authorities, provide clear guidance and awareness to GST-registered businesses on the correct application of GST — including the treatment of returned goods, refunds, and exchanges — to prevent inconsistent or incorrect charging.
4. Require businesses to clearly display selling prices and ensure that the price charged is accurately reflected on purchase receipts, with any additional charges or commissions disclosed to consumers; this is especially important in sectors where inconsistent pricing was observed, such as meat shops and handicraft businesses.
5. Require businesses to consistently issue purchase receipts and maintain proper sales records, and to establish clearly communicated written refund, return, exchange, and warranty policies — at the point of sale and/or on receipts — rather than relying solely on verbal communication; encourage businesses to maintain a simple complaint register recording complaints received, actions taken, and outcomes, with clear procedures communicated to staff.
6. In collaboration with the BFDA, conduct targeted awareness and training programmes for small-scale and local producers — particularly of products such as pickles, chips, and other locally made food items — to improve compliance with minimum labelling requirements.

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